

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Preliminary FY 2001 Operating Budgets - Regional Study Centers  
**Date:** June 5, 2000

**Recommended Actions:**

1. Approve the distribution of the Quad-Cities Graduate Study Center's FY 2001 appropriation of \$175,686 including salary increase funds.
2. Approve the distribution of the Tri-State Graduate Center's FY 2001 appropriation of \$85,936 including salary increase funds.
3. Approve the distribution of the Southwest Iowa Regents Resource Center's FY 2001 appropriation of \$117,546 including salary increase funds.
4. Consider the preliminary FY 2001 budgets for the Quad-Cities Graduate Study Center (\$388,680), the Tri-State Graduate Center (\$140,726) and the Southwest Iowa Regents Resource Center (\$148,600).

**Executive Summary:**

Each year funds are appropriated to the Board of Regents for distribution to the Quad-Cities Graduate Study Center, the Tri-State Graduate Center, and the Southwest Iowa Regents Resource Center. The annual reports and budgets of the Regional Study Centers provide one method for addressing Action Step 2.1.1.1 - Annually Assess Access to Regent Institutions - of the Board of Regents Strategic Plan. The annual reports for the study centers were presented to the Board in May. This docket memorandum includes information on FY 1998 and FY 1999 expenditures, FY 2000 budgets, and FY 2001 preliminary budgets. The FY 2001 preliminary budgets are consistent with the conceptual budgets presented to the Board last month.

FY 2001 State of Iowa appropriations for the Regional Study Centers total \$369,484, which equals the FY 2000 State of Iowa funding for the centers. In addition, the sum of \$9,684 from the salary appropriations bill will be available to fund salary increases.

The Board is asked to approve a distribution of funds to the study centers. The distribution includes the individual appropriation amounts included in the education appropriations bill (HF 2549) and an allocation of funds for salary increases based upon Iowa's share of the centers' personnel bases. The recommended distribution is as follows:

	FY 2000 <u>Approp.</u>	FY 2001 <u>Approp.</u>	FY 2001 <u>Salary</u>	Total <u>FY 2001</u>
Quad-Cities Graduate Study Center	\$171,382	\$171,382	\$4,304	\$175,686
Tri-State Graduate Center	83,778	83,778	2,158	85,936
Southwest Iowa Regents Resource Center	<u>114,324</u>	<u>114,324</u>	<u>3,222</u>	<u>117,546</u>
TOTAL	\$369,484	\$369,484	\$9,684	\$379,168

No significant changes from FY 2000 are anticipated in the FY 2001 budgets of any of the Regional Study Centers. Small mandatory cost increases are included the Southwest Iowa Regents Resource Center. These increases will not be funded from State of Iowa appropriations.

### **Background and Analysis:**

Three regional study centers serve residents of Iowa who are geographically distant from the Regent campuses.

The Quad-Cities Graduate Study Center, the Tri-State Graduate Center, and the Southwest Iowa Regents Resource Center make requests for State of Iowa operating appropriations through the Board of Regents and each year funds are appropriated to the Board for distribution to the centers.

A State of Iowa appropriation is one of the sources of funds for each center's budget. The following table summarizes each center's total proposed FY 2001 budget by revenue source.

	<u>Quad-Cities</u>	<u>Tri-State</u>	<u>Southwest</u>
State of Iowa	\$175,686	\$85,936	\$117,546
State of Illinois	211,800	--	--
State of Nebraska	--	45,019	--
State of South Dakota	--	3,377	--
State of Iowa Extension & Continuing Educational Council	--	--	31,054
Local	<u>1,194</u>	<u>6,394</u> <sup>1</sup>	<u>----</u>
<b>Total</b>	<b>\$388,680</b>	<b>\$140,726</b>	<b>\$148,600</b>

<sup>1</sup> Includes \$4,394 from reserves.

Quad-Cities Graduate Study Center

The Center's Governing Board has formulated the following planning goals for FY 2001:

- Develop and implement a marketing / action plan, based on the findings of the graduate education community needs survey;
- Update its current quality measures to supplement and complement those of member institutions;
- Promote access to graduate programming and the services necessary for successful off-campus study;
- Develop outreach approaches to locate, recruit, and enroll a diverse student body;
- Establish three partnerships with firms or agencies in the Quad-Cities community for the purpose of supporting the mission of the Center; and
- Identify current tasks, goals and objectives that inhibit the Center's efficiency and productivity.

These goals will help determine budget allocations and expenditures within each budget category, although the Center's total budget is expected to increase only 1.1% (\$4,304).

Iowa's appropriation of \$175,686 represents 45.2% of the total proposed FY 2001 budget.

The Center anticipates receiving \$211,800 from the State of Illinois. This amount is equal to the amount received for FY 2000.

The FY 1998 actual (\$347,541), FY 1999 actual (\$362,196), FY 2000 budget (\$384,376) and FY 2001 proposed budget (\$388,680) are displayed on Table 1.

### Tri-State Graduate Center

The Tri-State Graduate Center has developed the following 2000-2001 goals to guide specific activities and budgetary expenditures:

- Facilitate transition of the newly appointed Executive Director to the Tri-State Graduate Center (a search is underway during the latter part of FY 2000 to replace the current director who is retiring);
- Expand marketing programs and increase visibility of the Tri-State Graduate Center as an educational resource in the community;
- Continue to identify graduate education needs for prospective students in Siouxland; and
- Build a base of support uniting students, member institutions, employers and community groups.

FY 2001 funding from the state of Iowa will total \$85,936, which represents 61.1% of the proposed budget.

The Graduate Center's budget includes increases of 3% each in its funding from the states of Nebraska and South Dakota. These small increases will total less than \$1,500.

Interest and miscellaneous income is budgeted to decline by \$1,100 (-35.5%). The budget includes the use of \$4,394 in reserve funds, thereby reducing interest income. It is also anticipated that there will be no distribution from the Tri-State Graduate Center Endowment Fund.

FY 2001 expenditures are budgeted to decline by \$3,011 (-2.1%) from the FY 2000 revised budget.

The FY 2000 budget included a new category of Library Research Services, which was added at the request of an ad hoc committee of librarians and administrators. The ad hoc committee met to determine how to improve library research services for graduate students in Sioux City without overburdening local libraries. As a result of the committee's work, the course catalog for each term will include an upgraded library directory, with information on 17 libraries in the Sioux City area. The costs for the directory will be paid from the printing budget. The Library Research Services budget line will no longer be used.

The revised FY 2000 budget included \$2,000 for the Executive Director search which will not be needed in FY 2001. The FY 2001 proposed budget also does not include any funds for equipment.

In January 2000, the Center's Board of Directors Executive Committee created a Facilities Improvement line item in the operating budget and established a Restricted Facilities Development Fund. The Center's Board reaffirmed these at its February 2000 meeting.

- The sum of \$4,000 was allocated in the FY 2000 budget for exterior signage and the sum of \$1,000 was placed in the Restricted Facilities Development Fund.
- The FY 2001 operating budget includes \$2,880 to replace carpet. It is also anticipated that additional funds will be transferred from Reserves to the Restricted Facilities Development Fund.

The FY 1998 actual (\$133,579), FY 1999 actual (\$130,254), FY 2000 budget (\$137,426), FY 2000 revised budget (\$143,737), and FY 2001 proposed budget (\$140,726) are displayed on Table 2.

#### Southwest Iowa Regents Resource Center

Planned FY 2001 goals, which were recently approved by the State Extension and Continuing Education Council, include:

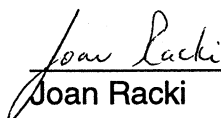
- Continue implementation of the Center marketing plan for the purpose of increasing enrollments and awareness of Regent educational opportunities available in the region;
- Assist Regent universities with outreach and continuing education initiatives consistent with their strategic plans;
- Assist Regent universities in expansion of graduate program offerings in a wide range of curricular areas;
- Expand opportunities for cultural arts programming, including non-credit educational programs such as workshops and conferences; and
- Serve as an advocate for the educational needs of the citizens of western Iowa.

The goals will help aid in budgetary decisions.

The Center's proposed budget includes an increase of \$4,252 in revenue (3.0%) with an increase of \$3,222 in State of Iowa appropriations for salaries (2.8%) and an increase of \$1,030 (3.4%) in revenue from the State Extension and Continuing Education Council. State of Iowa funds appropriated for the Center represent 79.1% of the total proposed budget.

In addition to increased expenditures for salaries, the budget includes a 14% (\$280) increase in telephone and fax expenses, and a 2% increase in many other line items. These additional costs are being funded from increased funds from the State Extension and Continuing Education Council.

The Center's FY 1998 actual (\$132,895), FY 1999 actual (\$135,375), FY 2000 budget (\$144,348), and FY 2001 proposed budget (\$148,600) are displayed on Table 3.

  
Joan Racki

Approved:   
Frank J. Stork

**Table 1**  
**QUAD-CITIES GRADUATE STUDY CENTER**

	<b>FY 1998</b> <b><u>Actual</u></b>	<b>FY 1999</b> <b><u>Actual</u></b>	<b>FY 2000</b> <b><u>Budget</u></b>	<b>FY 2001</b> <b><u>Budget</u></b>
<b>INCOME</b>				
State of Illinois	\$ 175,699	\$ 193,500	\$ 211,800	\$ 211,800
State of Iowa	162,705	167,086	171,382	175,686
Center Revenue	<u>9,137</u>	<u>9,049</u>	<u>1,194</u>	<u>1,194</u>
<b>Total</b>	<b>\$ 347,541</b>	<b>\$ 369,635</b>	<b>\$ 384,376</b>	<b>\$ 388,680</b>
<b>EXPENSES</b>				
Personnel	\$ 225,575	\$ 225,400	\$ 241,265	\$ 245,569
Contractual	69,527	79,170	82,439	82,439
Travel	4,038	5,468	5,120	5,120
Commodities	8,319	8,047	8,094	8,094
WEIC Expenses	5,341			
Equipment	2,208	3,317	5,416	5,416
Printing/Promotion	16,634	20,376	19,520	19,520
Telephone/Telecommunications	13,049	17,468	19,524	19,524
Audit	<u>2,850</u>	<u>2,950</u>	<u>2,998</u>	<u>2,998</u>
<b>Total</b>	<b>\$ 347,541</b>	<b>\$ 362,196</b>	<b>\$ 384,376</b>	<b>\$ 388,680</b>

**Table 2**  
**TRI-STATE GRADUATE CENTER**

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2000</b>	<b>FY 2001</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Revised Budget</u></b>	<b><u>Budget</u></b>
<b>INCOME</b>					
State of Iowa	\$ 79,198	\$ 81,716	\$ 83,778	\$ 83,778	\$ 85,936
State of Nebraska	41,200	42,435	43,708	43,708	45,019
State of South Dakota	3,340	3,183	3,278	3,278	3,377
Interest & Miscellaneous	<u>3,340</u>	<u>3,516</u>	<u>3,100</u>	<u>3,100</u>	<u>2,000</u>
<b>Total</b>	<b>\$ 127,078</b>	<b>\$ 130,850</b>	<b>\$ 133,864</b>	<b>\$ 133,864</b>	<b>\$ 136,332</b>
<b>EXPENSES</b>					
Shortfall - FY 1994					
Salaries and Benefits	\$ 78,217	\$ 80,147	\$ 86,176	\$ 86,176	\$ 89,496
Insurance (Property)	500	388	500	500	500
Rent	3,600	3,600	3,600	3,600	3,600
Dues & Subscriptions	412	475	650	650	650
Advertising & Promotion	8,863	11,630	11,000	11,000	11,000
Postage	5,494	4,678	6,000	6,000	6,000
Telephone	2,937	3,864	4,000	4,000	4,000
Printing	9,717	11,029	11,000	11,000	11,000
Office Supplies	1,961	1,853	2,000	2,000	2,000
Board Meetings	674	533	600	600	600
Travel & Training	2,470	2,577	3,000	3,000	3,000
Administration (SIMPCO)	6,000	6,000	6,000	6,000	6,000
Library Research Services			1,000	1,000	
Facilities Improvement				4,000	2,880
Executive Director Search				2,000	
Equipment and Maintenance	<u>12,734</u>	<u>3,480</u>	<u>1,900</u>	<u>2,211</u>	<u>0</u>
<b>Total</b>	<b>\$ 133,579</b>	<b>\$ 130,254</b>	<b>\$ 137,426</b>	<b>\$ 143,737</b>	<b>\$ 140,726</b>
<b>Revenues over Expenditures</b>	<b>\$ (6,501)</b>	<b>\$ 596</b>	<b>\$ (3,562)</b>	<b>\$ (9,873)</b>	<b>\$ (4,394)</b>
<b>Fund Balance - Beginning of Year</b>	<b>\$ 42,313</b>	<b>\$ 35,812</b>	<b>\$ 36,408</b>	<b>\$ 36,408</b>	<b>\$ 26,535</b>
<b>Fund Balance - End of Year</b>	<b>\$ 35,812</b>	<b>\$ 36,408</b>	<b>\$ 32,846</b>	<b>\$ 26,535 <sup>1</sup></b>	<b>\$ 22,141 <sup>2</sup></b>

<sup>1</sup> Includes \$1,000 in Restricted Facilities Development Fund created by the Board of Directors Executive Committee in January 2000, and reaffirmed by the Center's Board in February 2000.

<sup>2</sup> Includes Restricted Facilities Development Fund. It is anticipated that an additional \$9,000 will be transferred the Fund in FY 2001.



**Table 3**  
**SOUTHWEST IOWA REGENTS RESOURCE CENTER**

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>
<b>INCOME</b>				
State of Iowa	\$ 108,562	\$ 111,113	\$ 114,324	\$ 117,546
State Extension & Continuing Education Council	<u>24,333</u>	<u>24,262</u>	<u>30,024</u>	<u>31,054</u>
<b>Total</b>	<b>\$ 132,895</b>	<b>\$ 135,375</b>	<b>\$ 144,348</b>	<b>\$ 148,600</b>
<b>EXPENSES</b>				
Salary, Benefits: Coordinator	\$63,700	\$66,590	\$ 70,304	\$ 72,554
Salary, Benefits: Secretary	27,234	25,885	31,416	32,388
Travel, Meals, Lodging	4,785	4,571	3,782	3,858
Telephone, Fax	2,041	2,008	2,490	2,540
Postage	1,778	2,452	2,000	2,280
Printing	3,375	4,534	4,000	4,380
Advertising, Program Promotion	5,724	5,303	4,896	4,994
Rent, Custodial Services	7,200	12,000	18,000	18,000
Course Delivery, Telecommunications	2,000	2,158	2,000	2,040
Other Programs, Services	2,000	2,500	2,000	2,040
Equipment	1,197	3,938	2,000	2,040
Advisory Committee Expenses	187	191	150	150
Office Supplies	1,924	1,645	1,310	1,336
Special: Computer Lab, Internet Connection	<u>9,750</u>	<u>1,600</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<b>\$ 132,895</b>	<b>\$ 135,375</b>	<b>\$ 144,348</b>	<b>\$ 148,600</b>